Solid Waste Funding Workgroup January 6, 2012, Meeting Notes

The meeting was held from 9:00 a.m. to Noon in the Con Conference Room, Atrium South, Constitution Hall, Lansing, Michigan.

The workgroup was welcomed. The members introduced themselves and identified which organization they are representing.

Jason Geer	Michigan Chamber of Commerce
Sandy Rosen	Michigan Recycling Coalition
Tom Frazier	Michigan Townships Association
Michael Csapo	RRRASOC representing waste authorities
Geoffrey Donaldson	St. Clair County representing Michigan Association of Counties
Gary Dawson	Consumers Energy Company representing Type III landfill interests
Patty O'Donnell	Northwest Michigan Council of Governments representing the Michigan Association of Regions (Phone)
Tonia Olson	Granger representing Michigan Waste Industries Association (Phone)
Roger Simon	Louis Padnos Iron & Metal Company representing Institute of Scrap Recycling Industries
Randall Slikkers	Goodwill Association of America representing reuse stores
Doug Wood	Kent County Department of Public Works representing Waste to Energy facilities and County Public Works Departments (Phone)
Liz Browne	Department of Environmental Quality, Resource Management Division
Steve Sliver	Department of Environmental Quality, Resource Management Division
Matt Flechter	Department of Environmental Quality, Resource Management Division
Also invited but unable to be present were	
William Hinz	Allegan County Health Department representing Health Departments (MALPH)
Bill Lobenherz	Michigan Soft Drink Association representing the Michigan Recycling Partnership
Andy Such	Michigan Manufacturers Association representing MMA
James Clift	Michigan Environmental Council
Jason Mancini	Michigan Municipal League representing MML

The notes for the December 9, 2011, meeting were not available to be distributed and will be distributed with the January 27, 2012, meeting materials. If there are not any changes or revisions the DRAFT label will be removed from the notes after they are placed on the Web located at http://www.michigan.gov/deq/0,4561,7-135-3312_4123-261534--,00.html

Contracting Landfill Inspections Sub-committee Report – No report. Chair, Tonia Olson, informed the workgroup that the first meeting of the sub-committee has not yet been held. A brief discussion about contracting out inspections took place.

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The SWFW recommended that the DEQ begin to build the report with the items that have been addressed and agreed upon thus far.

The majority of the meeting was spent discussing the table titled "Solid Waste Policy – DEQ Program Expenses." No major changes were made to the table, other than adding \$30,000 to address expanded environmental sampling. The table represents the shift in activities and the resulting staffing changes as a result of realigning the Solid Waste Program with the Solid Waste Policy.

The projected 2012 revenue from the solid waste surcharge is \$4.56 million and the projected 2012 expenditures are \$4.55 million. Additional expenses of \$1.92 million are expected if the DEQ is to accomplish the additional responsibilities for implementing the Solid Waste Policy that were agreed upon by the SWFW. Approximately \$6.5 million annually adjusted for inflation will be necessary to fund the agreed upon Solid Waste Program.

The SWFW discussed the importance of presenting a zero-based budget, where it is not assumed that the current level of funding is the appropriate level but the budget is built up from scratch. It was explained that the table being discussed is a result of that type of analysis, whereas each program activity was evaluated based on the level of staff that would be needed to accomplish the task. In some cases (inspections of some categories of facilities, for example) the level of work was evaluated and reduced, leading to cost savings.

The SWFW discussed activities that are not Solid Waste Program activities that should be accomplished to further the Solid Waste Policy. It was agreed that any activity should be able to show a significant return on investment, and waste utilization activities are able to demonstrate return on investment.

The Solid Waste Program activities do not include funding recycling programs, a significant amount of outreach and education, recycling measurement, and economic development roll for the State or Solid Waste Planning funds for county Solid Waste Planning efforts. While it was recognized these items are important to further the Solid Waste Policy the SWFW agreed that a specific funding mechanism for these activities would not be identified at this time. Rather a set of funding mechanisms would be identified.

Recycling measurement was discussed. One suggested option for funding measurement is to collect a fee on the material that is being counted. With the fee would come data.

Solid Waste Planning funding was discussed. The SWFW did not support identifying a funding mechanism for funding for counties to fund Solid Waste Planning efforts.

The group agreed to review the <u>2011 State of Recycling in Michigan: A Way Forward</u> document prior to the next meeting.

Next Meeting is January 27, 2012, 9:00 a.m. to Noon, Con Con A & B Conference Room, Atrium South, Constitution Hall, Lansing, Michigan.